



Highlights of [GAO-07-924T](#), a testimony before the Subcommittee on Social Security, Committee on Ways and Means, House of Representatives

## Why GAO Did This Study

The opportunity for employment is one of the most powerful magnets attracting illegal immigration to the United States. The Immigration Reform and Control Act of 1986 established an employment eligibility verification process, but immigration experts state that a more reliable verification system is needed. In 1996, the former U.S. Immigration and Naturalization Service, now within the Department of Homeland Security (DHS), and the Social Security Administration (SSA) began operating a voluntary pilot program, called the Employment Eligibility Verification (EEV) program, to provide participating employers with a means for electronically verifying employees' work eligibility. Congress is considering various immigration reform proposals, some of which would require all employers to electronically verify the work authorization status of their employees at the time of hire. In this testimony GAO provides observations on the EEV system's capacity, data reliability, ability to detect fraudulent documents and identity theft, and vulnerability to employer fraud as well as challenges to making the program mandatory for all employers. This testimony is based on our previous work regarding the employment eligibility verification process and updated information obtained from DHS and SSA.

[www.gao.gov/cgi-bin/getrpt?GAO-07-924T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-924T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Richard M. Stana at (202) 512-8777 or [stanar@gao.gov](mailto:stanar@gao.gov).

## EMPLOYMENT VERIFICATION

# Challenges Exist in Implementing a Mandatory Electronic Verification System

## What GAO Found

A mandatory EEV program would substantially increase the number of employers using the system. As of May 2007, about 17,000 employers have registered to use the current voluntary EEV program, about half of which are active users. If participation in EEV were made mandatory, the approximately 5.9 million employers in the United States may be required to participate. Requiring all employers to use EEV would substantially increase the demands on DHS and SSA resources. DHS estimated that increasing the capacity of EEV could cost it \$70 million annually for program management and \$300 million to \$400 million annually for compliance activities and staff. SSA officials estimated that expansion of the EEV program through this fiscal year would cost \$5 million to \$6 million and noted that the cost of mandatory EEV would be much higher and driven by increased workload of its field office staff that would be responsible for resolving queries that SSA cannot immediately confirm.

DHS and SSA are exploring options to reduce delays in the EEV process. The majority of EEV queries entered by employers—about 92 percent—confirm within seconds that the employee is work authorized. About 7 percent of the queries cannot be immediately confirmed by SSA, and about 1 percent cannot be immediately confirmed by DHS. Resolving these nonconfirmations can take several days, or in a few cases even weeks. DHS and SSA are considering options for improving the system's ability to perform additional automated checks to immediately confirm work authorization, which may be important should EEV be mandatory.

EEV may help reduce document fraud, but it cannot yet fully address identity fraud issues, for example, when employees present borrowed or stolen genuine documents. The current EEV program is piloting a photograph screening tool, whereby an employer can more easily identify fraudulent documentation. DHS expects to expand the use of this tool to all participating employers by September 2007. Although mandatory EEV and the associated use of the photograph screening tool offer some remedy, limiting the number of acceptable work authorization documents and making them more secure would help to more fully address identity fraud.

The EEV program is vulnerable to employer fraud, such as entering the same identity information to authorize multiple workers. EEV is also vulnerable to employer misuse that adversely affects employees, such as employers limiting work assignments or pay while employees are undergoing the verification process. DHS is establishing a new Compliance and Monitoring program to help reduce employer fraud and misuse by, for example, identifying patterns in employer compliance with program requirements. Information suggesting employers' fraud or misuse of the system could be useful to other DHS components in targeting limited worksite enforcement resources and promoting employer compliance with employment laws.